

# FISCAL NOTE

**Bill #:** HB0462

**Title:** Licensure of abortion facilities

**Primary Sponsor:** Schrumpf, C

**Status:** As Introduced

Sponsor signature	Date	Chuck Swysgood, Budget Director	Date
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## Fiscal Summary

	<b><u>FY 2004 Difference</u></b>	<b><u>FY 2005 Difference</u></b>
<b>Expenditures:</b>		
General Fund	\$34,506	\$33,079
<b>Revenue:</b>		
General Fund	\$6,000	\$6,000
<b>Net Impact on General Fund Balance:</b>	(\$28,506)	(\$27,079)

- |   |  |
|---|--|
| <input type="checkbox"/> Significant Local Gov. Impact    | <input checked="" type="checkbox"/> Technical Concerns           |
| <input type="checkbox"/> Included in the Executive Budget | <input type="checkbox"/> Significant Long-Term Impacts           |
| <input type="checkbox"/> Dedicated Revenue Form Attached  | <input checked="" type="checkbox"/> Needs to be included in HB 2 |

## Fiscal Analysis

### ASSUMPTIONS:

1. There are 7 known locations where outpatient abortion is performed. It is estimate there may be up to 5 hospitals where both outpatient and inpatient abortions are performed.
2. A one-year license will be issued for all initial abortion facility licenses when the department has received an acceptable plan of correction (POC). This will require an on-site visit at 12 locations for an annual licensure review. A follow up inspection will be performed to assure facility compliance with the approved plan. Locations to be surveyed include Billings, Helena, Missoula, Kalispell, Great Falls, and other locations. Abortion facility inspection travel from Helena is estimated to be a total of 100 hours to reach the 12 locations. Surveyor per diem expenses and motor pool expenses are estimated to be \$5,000 per year. Survey time at each location is estimated to be 20 hours per facility for 240 hours. Deficiency write up time and evaluation of an acceptable plan of correction is estimated to be 8 hours for each facility x 12 = 96 hours. Follow up inspection time is estimated to be a total of 100 hours of travel and 3 hours inspection time at each location x 12 for a total of 136 hours.
3. New section 5 requires rule development regarding access to patient information and necessary follow-up care. There were 2,063 abortions performed in Montana in 2001. A case review and follow-up of 10%, or 206, of these patients is estimated to be 2 hours per case for a total of 412 hours.

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(continued)

4. Onsite investigations will be required when complaints are received. Assuming that one complaint is received for each location, travel and onsite investigations time will be required. Based on 12 complaints, travel is estimated to be a total of 100 hours and 3 hours of investigation time per facility for 136 hours.
5. Office consultation time with the general public, practioners, professional associations is assumed to be 60 hours per year to keep the public informed.
6. Inspection records such as letters of deficiency, plans of correction, or complaint investigation documentation are all public records. Public requests for this information will result in copy expenses, mail expenses and printing costs for copies of the rules. These costs are estimated to be \$500 per each year of the biennium.
7. Rent is \$3,642 in FY 2004 and \$3,715 in FY 2005, and one-time computer equipment in FY 2004 is \$1,500.
8. A 0.50 grade 16 Health Facility Surveyor FTE will perform these duties.
9. Funding is 100% general fund.
10. It is assumed that 12 facilities each year will be licensed and produce \$6,000 General fund revenue each fiscal year (12 facilities X \$500 = \$6,000).

### FISCAL IMPACT:

#### **Department of Public Health and Human Services (Pgm 08)**

	FY 2004 <u>Difference</u>	FY 2005 <u>Difference</u>
FTE	0.50	0.50

#### Expenditures:

Personal Services	\$23,864	\$23,864
Operating Expenses	<u>10,642</u>	<u>9,215</u>
TOTAL	<u>\$34,506</u>	<u>\$33,079</u>

#### Funding of Expenditures:

General Fund (01)	<u>\$34,506</u>	<u>\$33,079</u>
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#### Revenue:

General Fund (01)	<u>\$6,000</u>	<u>\$6,000</u>
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#### Net Impact to Fund Balance (Revenue minus Funding of Expenditures):

General Fund (01)	<u>(\$28,506)</u>	<u>(\$27,079)</u>
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### TECHNICAL NOTES:

1. Hospitals may perform in-patient and out patient abortions under the present state licensing standards and under the Medicare/Medicaid Conditions of Participation. Abortion is a permitted service under the present licensing fee of \$1.00 a bed.
2. Hospitals are eligible under JCAHO accreditation to be state licensed for the period of accreditation. The department is prohibited from inspecting any JCAHO hospital for licensure purposes and can only inspect a hospital if there is a specific complaint made in writing to the department. The department is permitted to inspect only the area of the complaint. MCA 50-5-103(4).